



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

MARY A. LANNOYE
DIRECTOR

April 4, 2003

MEMORANDUM

TO: Directors of Departments and Autonomous Agencies

FROM: Mary A. Lannoye
State Budget Director

SUBJECT: Executive Directive 2003-3 – Proposed Organizational Changes

Executive Directive 2003-3 establishes the basic policy within the Executive Branch for coordinating state department activities with budgetary implications. Under this directive, the State Budget Director is responsible for:

- The review and approval of proposed organizational changes at the division level or above.
- The receipt of a plan for organizational changes below the division level prior to implementation.

In order to implement Executive Directive 2003-3, and to expedite a review of organizational changes at the division level or above, proposals should contain the following information.

1. A description of the purpose of the proposed reorganization, an explanation of how the department will function more efficiently and/or improve its effectiveness, and a business need to implement the proposal within a specific timeframe.
2. Narrative explanations of the proposed reorganization, noting any reduction in labor or associated costs, integration of multiple functions, elimination of duplicative functions, improvement in communications and work processes, or increased use of technology.

Directors of Departments and Autonomous Agencies

April 4, 2003

Page 2

3. A description of the net savings that will result from the proposed reorganization, including a listing of each position to be abolished and the current classification level; a listing of each position to be created and the proposed classification level; and any additional costs or savings related to the proposed reorganization.
4. The department's current organization chart, including the classification levels of incumbent directors of the current administrations, divisions, bureaus, and offices. All vacant positions should be noted.
5. The department's proposed organization chart, including the proposed classification levels of directors of the administrations, divisions, bureaus, and offices.

Reported organizational changes below the division level should include the rationale for the proposed change, along with current and proposed organization charts. This information should be provided at least 10 workdays prior to implementation.

All organizational changes described in Executive Directive 2003-3 are to be submitted by memorandum to my attention, with a copy to the State Employer. Reorganizations should not be announced or implemented until you have received approval from the Governor's Office.

I appreciate your cooperation in implementing this directive. If you have any questions concerning these procedures, please contact Nancy W. Duncan, Deputy State Budget Director at (517) 373-0870.

cc: Rick Wiener, Chief Operating Officer
Lisa Webb Sharpe, Director of Public Policy
Nancy W. Duncan, Deputy State Budget Director
David Fink, State Employer
Agency Human Resource Directors
Agency Budget Directors
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